Statement-IV

Expenditure incurred by Government on DDK, Dibrugarh during the last five years

(in lakhs of Rs.)

Year	Plan (PPC)	Non-Plan (HPT)
1989-90	...	...
1990-91	...	15.37
1991-92	14.85	15.10
1992-93	35.20	15.15
1993-94	63.04	19.41

Information regarding 1993-94 is tentative as Appropriation Accounts for 1993-94 is yet to be finalised.

Conference of Experts in the Power Sector

1031. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state:

(a) whether a conference of experts in power sector from SEBs, NTPC and NHPC was held at New Delhi recently;

(b) if so, the details of the discussions held and the outcome thereof;

(c) whether the measures to bridge the gap in power availability and demand position during Eighth Plan period were also discussed; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) to (d) A Conference on 'The Development and Financing of Private Power Projects in India'—"India Power 94" was held at New Delhi on May 23-25, 1994 which was organised by Belgundi Group in association with AIC Conferences, Australia and was Co-sponsored by the Ministry of Power. The Conference was attended by prospective promoters from various countries, officials of State Electricity Boards and State Power and Finance Departments besides officials from the concerned Departments of the Government of India. The development of Private Sector power projects would go a long way to mitigate the power shortage in the country.

Reduction in Arrears of SEBs towards NTPC

1032. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state:

(a) whether the NTPC has recently chalked out a strategy to reduce its outstandings from the SEBs;

(b) if so, the details of the strategy NTPC propose to adopt;

(c) whether the World Bank have extended loan to the NTPC;

(d) if so, the terms and reference of the loan agreement; and

(e) what other steps NTPC propose to take to reduce outstandings from SEBs?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI P. V. RANGAYYA NAIDU): (a) and (b)

Yes, Sir. The new commercial and investment policies of the National Thermal Power Corporation (NTPC) require implementation of certain measures to address the issue of outstanding dues from the State Electricity Boards (SEBs) including the following :—

(i) signing of Bulk Power Supply Agreements (BPSAs) with SEBs.

(ii) regulating power supplies by NTPC from its power stations, wherever physically and technically feasible, in case of non-compliance with agreed financial and commercial terms including appropriate Letter of Credit (LC).

(iii) delaying new investment in a State if it is not in compliance with the terms of BPSA and undertaking projects in one region with substantial part of the output to be allocated in other region.

(iv) charging of penal rates for drawal of power exceeding LC coverage.

(c) and (d). The World Bank has approved a loan of US Dollars 400 million to the NTPC for the NTPC Power Generation Project. The loan is repayable in 20 years including a five year grace period at the Bank's standard variable interest rate. The major conditions of the loan are :—

(a) The NTPC shall take all steps necessary to maintain its accounts receivable at the level not exceeding an amount equivalent to the proceeds of its Sales of power for the two preceding months.

(b) The NTPC shall take all such measures (including, without limitation, adjustments of the structure and levels of its tariffs) as shall be required to produce in the financial year beginning April 1, 1993, funds from internal sources equivalent to not less than fifteen per cent (15 per cent) of the annual average of the NTPC's capital expenditures incurred or expected to be incurred during the previous, current and following financial year, and not less than twenty per cent (20 per cent) in each financial year thereafter.

(c) The NTPC shall implement a resettlement action plan as agreed upon between the Bank and the NTPC in a timely manner.

(d) The NTPC shall: (i) carry out socio-economic surveys not later than December 31, 1994, to ascertain the present socio-economic status of persons affected by the On-going Projects of the NTPC; (ii) based upon such surveys, draw up wherever necessary remdial action programmes, in consultation with the Bank, which have as their objective the phased restoration of the economic base of the persons so affected; and (iii) thereafter, implement such remedial action programmes.

(e) The NTPC shall implement the Environmental Action Plan agreed upon between the Bank and the NTPC.

(f) The NTPC shall enter into Bulk Power Supply Agreements with all the SEBs on a regional basis.

The NTPC is in compliance of the covenants of the World Bank loan.

(e) The Government of India have decided to realise the outstanding dues of NTPC in respect of major defaulting State Electricity Boards through appropriation of Central Plan Assistance of the States to reduce receivables to within two months' average billing as on 1st April 1994.

Losses of State Electricity Boards

1033. SHRI JANARDHANA POOJARY : Will the Minister of POWER be pleased to state :

(a) what were the amount of commercial losses suffered by State Electricity Boards during the last three years and so far in 1994;

(b) what were the losses suffered by the State Electricity Boards on account of supply of electricity to agriculture during the above period;